AFRICA RISK CONSULTING

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Madagascar Summary 23 October 2026

Transitional president Michaël Randrianirina (2025-present) holds a series of meetings in the United States (US) to attract investment to the country. The International Monetary Fund (IMF) announces on 30 September that it has completed the combined third and fourth reviews of Madagascar's 36-month loan programmes, approving a $155m disbursement. Government signs an agreement with United Kingdom (UK)-headquartered investment firm Gemcorp Capital to raise up to $5 billion over four years for priority projects. More than 6,500 Madagascans file a claim in London's high court against the British-Australian multinational mining company Rio Tinto, accusing it of contaminating local water sources.

Randrianirina holds talks during United States visit

While attending the 81st **United Nations General Assembly (UNGA)** in **New York (United States)**, transitional president **Michaël Randrianirina** (2025-present) held a series of meetings with senior US officials to discuss economic cooperation and Madagascar's investment sector, particularly encouraging US investors to invest in Madagascar.

Randrianirina held talks with US private-sector representatives on 23 September, including those from the **Jordache Mklein** group, which operates in the industrial sector, specifically in Madagascar's free trade zones. The discussions centred on strengthening economic cooperation and exploring opportunities to increase US investment. On financing, Randrianirina met with **International Development Finance Corporation**'s **(DFC)** vice president of the rapid-deployment office, **Marques Coleman**, among other DFC representatives, as well as **United Kingdom (UK)**-headquartered **Harena Rare Earths**. The Presidency said the discussions focused on potential projects in energy infrastructure, water and agriculture.

The US has consistently demonstrated its interest in Madagascar's strategic mining sector. In July, the DFC approved $4.84m in funding for the Harena Rare Earths project in **Ampasindava (Diana Region)**, marking its first mining investment in the country. The project is expected to supply rare earths to key US industrial supply chains. The **Vara Mada** mining project, located in southern Madagascar, is also a flagship project the US backs.

The series of meetings continued on 24 September, when Randrianirina met **Frank Garcia**, the US assistant secretary of State for African Affairs. The meeting focused on strengthening bilateral cooperation, particularly by increasing US investment in the country and enhancing maritime security. The two sides also discussed implementing the **African Growth and Opportunity Act (AGOA)** and resuming visa issuance in Antananarivo. Members of the Malagasy diaspora in the US also raised the visa issue during a meeting with Randrianirina in **New Jersey**.

The meetings signal the transitional government's efforts to strengthen ties with the US and attract foreign investment to support Madagascar's economic development, particularly in strategic sectors such as mining, energy and agriculture. However, the extent to which this cooperation translates into broader economic benefits for Madagascar remains uncertain,

particularly given local resistance to mining projects and the need to address outstanding trade and visa issues.

IMF completes the third and fourth reviews of Madagascar's programme

The **International Monetary Fund (IMF)** announced on 30 September that its executive board had completed the combined third and fourth reviews of Madagascar's **Extended Credit Facility (ECF)** and **Resilience and Sustainability Facility (RSF)**. The board's approval, which comes as the country faces political uncertainty, water shortages and power outages, cyclone recovery and higher global oil prices from the conflict in the **Middle East**, allows for the immediate release of $155m to the country. This funding includes $100m under the ECF and another $55m through the RSF.

The global lender estimates that Madagascar's economy expanded by 3.1% in 2025, however, it was below its earlier forecast of 4%. Despite that, real GDP growth is expected to improve to 3.8% in 2026, supported by the post-cyclone reconstruction and the government's economic recovery plan. However, the country's current account deficit is expected to increase to 8.3% of GDP in 2026 from 6% in 2025, partly due to higher oil prices, reconstruction imports and damage to mining operations.

Although the IMF described Madagascar's performance under the ECF as *"broadly satisfactory"*, it raised concerns about the country's tax collection, which it said fell below expectations. It called on the government to improve tax administration, reduce tax exemptions, and strengthen financial management. The global lender urged authorities to implement reforms at the state-owned electricity and water company, **Jiro sy rano Malagasy (JIRAMA)**, to improve services and ease pressure on the national budget. It also called for the full implementation of automatic fuel pricing by January 2027, alongside targeted assistance for vulnerable households, to free up government funds for healthcare, education, and social protection. Regarding its RSF programme, the IMF said that Madagascar had adopted its first green budget and a **National Climate Finance Strategy**, although some climate reforms have been delayed.

The IMF further called on the **Banky Foiben'i Madagasikara** (central bank) to *"stand ready"* to tighten monetary policy if inflation, currently at 8.6%, persists. The IMF also emphasised that maintaining exchange rate flexibility is key to absorbing external shocks and protecting reserves. It also called on authorities to act on the recommendations of the IMF's governance diagnostic assessment to improve transparency and strengthen national anti-corruption efforts.

The board's approval suggests that Madagascar has made sufficient progress to keep its IMF programme on track, despite missing some earlier targets. However, continued reforms will be critical to building a more resilient economy and to ensuring that the economic recovery benefits the wider population.

Madagascar signs $5 billion investment deal amid youth disillusionment

Madagascar's government signed an agreement in September with UK-headquartered investment firm **Gemcorp Capital** to raise up to $5 billion over four years for priority projects. The agreement was signed between Gemcorp and Madagascar's state-owned sovereign wealth fund, **Fonds Souverain Malagasy (FSM)**, which is tasked with attracting international investors to develop the country's natural resources. The FSM-Gemcorp partnership will focus on developing Madagascar's hydropower plants, solar energy facilities and mineral deposits, including nickel, cobalt, graphite and rare earths. Many of the country's mineral deposits remain undeveloped, creating opportunities to attract investment and expand economic activity.

As part of the agreement, Gemcorp will initially provide advice and help structure projects to make them attractive to investors. The company will also help connect the government with

international funding sources to convert the government's priorities into viable projects. FSM's chairman, **Andry Raharinomena**, said in September that although the fund was already involved in around a dozen projects requiring financing, it currently lacks the financial capacity to invest directly and will therefore depend on foreign capital to support its plans.

While the FSM-Gemcorp partnership aims to support the government's efforts to stimulate economic growth and make better use of the country's natural resources, its success will depend on whether the proposed projects secure funding and proceed to implementation. Another key challenge for the government will be to turn the country's natural resource wealth into economic growth that delivers tangible benefits for its population.

This latter point matters as it has now been a year since the current government took power in September 2025, and many young people feel it has failed to deliver on promised reforms. Police arrested some activists in April 20226 after they protested against the slow pace of change. Some reported violence and mistreatment in detention, while others lost their jobs. The arrests and the slow pace of reform have led many young people and activists to say they feel *"betrayed"* by a government that came into power with their support. While the FSM-Gemcorp deal signals the government's ambition to stimulate economic growth, it risks doing little to ease youth frustration unless it delivers tangible improvements in employment, livelihoods and economic opportunities.

Rio Tinto sued over alleged contamination in Madagascar

More than 6,500 Madagascans, including 2,000 children, filed a claim in **London**'s high court on 30 September against the **British-Australian** multinational mining company **Rio Tinto**, accusing it of contaminating local water sources with high levels of lead, uranium and other metals.

The claimants, represented by the leading UK law firm **Leigh Day**, claim that acidic wastewater from Rio Tinto's majority-owned **QIT Madagascar Minerals (QMM)** mine, near **Fort Dauphin (Anosy Region)**, was discharged into nearby lakes and waterways used by local communities for drinking, cooking, farming and washing. They are seeking compensation from Rio Tinto and a court order requiring the company to clean up the damage and prevent further contamination.

Rio Tinto confirmed it had been notified of the claim but could not comment because it had not received official documents related to the case. The company also said it regularly monitors water quality around the QMM mine and publishes reports annually. It said its 2025 Water Report found that *"most regulated metals were consistently below laboratory detection limits"*, and that all uranium samples and most lead samples were also below those limits. After local communities protested a water release in May 2022 that was followed by the discovery of dead fish, Rio Tinto also said that its water tests did not find a link between the release and the fish deaths.

While the legal challenge is still in its initial stages, it undoubtedly adds to the growing pressure on Rio Tinto over its environmental record. In a recent development, **Jesuits** in the UK, a religious order in the **Catholic** church, said in May that they were considering selling their stake in the company after unsuccessful discussions with Rio Tinto over environmental issues in Madagascar and **Guinea**. While allegations against Rio Tinto are yet to be proven in court, the Jesuits' consideration of selling their stake raises broader questions about the company's environmental record.

Planner

28 – 29 Oct 2026 **Moscow (Russia)** Transitional president **Michaël Randrianirina** expected to take part in the **Russia-Africa summit;**

Chronology

22 Oct 2026 **Antananarivo (Madagascar)** *Africanews*. The **Pôles Anti-Corruption (PAC)** (anti-corruption centre) says that proceedings against several former officials, including former president **Andry Rajoelina**, have been suspended pending a ruling on the court's jurisdiction;

22 Oct 2026 **Antananarivo (Madagascar)** *Africa Intelligence*. The transport ministry announces that it has lifted the suspension of the technical assistance contract between the state-controlled railway company **Madarail** and the **Belgian** firm **Vecturis**;

19 Oct 2026 **Antananarivo (Madagascar)** *United States Embassy in Antananarivo*. The publis health ministry and the **United States (US)** government launch a ten-day campaign in **Morondava** to introduce a new malaria prevention tool known as **Spatial Emanators (SE)**;

17 Oct 2026 **Antananarivo (Madagascar)** *iAfrica*. According to a new report by the **United Kingdom (UK)**-headquartered **GSMA**, targeted digital policy reforms could connect an additional 1.13 million people to mobile internet in Madagascar and generate MGA 4.1 trillion ($893m) in additional GDP by 2031;

16 Oct 2026 **Antananarivo (Madagascar)** *Energy News Network*. The mines ministry formalises the exploitation permit for the **United Kingdom (UK)**-headquartered **Harena Rare Earths**' **Ampasindava** project, an ionic clay deposit the company plans to bring into production in 2028, with an output of about 4,000 tonnes of rare earth oxides per year;

15 Oct 2026 **Antananarivo (Madagascar)** *Action Contre La Faim*. With over 2.5 million people facing acute food insecurity in Madagascar's Greater South, the global humanitarian organisation **Action Against Hunger** warns that food and nutrition conditions could worsen from October 2026 and urges immediate funding;

13 Oct 2026 **Antananarivo (Madagascar)** *Africa Business Insider*. Madagascar is testing a new passport application portal as it prepares to expand the administrative steps citizens can complete online;

12 Oct 2026 **Antananarivo (Madagascar)** *Mining Weekly.* **United Kingdom (UK)**-headquartered **Harena Rare Earths** aims to obtain an environmental permit to begin construction of its **Ampasindava** rare earths project;

8 Oct 2026 **Antananarivo (Madagascar)** *Bloomberg*. Government gives state-owned power and water utility **JIRAMA** permission to bypass normal tender procedures and buy diesel generators directly from **Russian** company **Malmekhservice** as ties between the island and Russia grow;

7 Oct 2026 **Antananarivo (Madagascar)** *Africa Intelligence*. **French** international partnerships minister **Éléonore Caroit** is reportedly planning to visit Antananarivo in November;

7 Oct 2026 **Antananarivo (Madagascar)** *Capmad*. **Madagascar Airlines** will operate under the **Air Madagascar** brand from 31 October as part of a restructuring plan;

6 Oct 2026 **Antananarivo (Madagascar)** *Engineering News.* Madagascar aims to raise up to $5 billion by partnering with the **United Kingdom (UK)** asset manager **Gemcorp Capital Management** to fund energy, infrastructure and mining projects in the country;

3 Oct 2026 **Antananarivo (Madagascar)** *Capmad*. The government aims to mobilise $400m in public and private financing by 2030 to implement the 2026-2030 livestock investment roadmap, developed with the **World Bank** and other global organisations;

3 Oct 2026 **Antananarivo (Madagascar)** *Capmad*. The government is preparing a cocoa policy to protect producers' earnings, as fine cocoa exports triple within a decade amid growing pressure from traceability and sustainability rules;

1 Oct 2026 **Antananarivo (Madagascar)** *Channel Africa.* The **International Monetary Fund (IMF)** completes the third and fourth reviews of Madagascar's **Extended Credit Facility** and the **Resilience and Sustainability Facility**, approving the immediate release of $155m;

30 Sep 2026 **Antananarivo (Madagascar)** *Reuters.* More than 6,500 Madagascans have filed a claim in a **London (United Kingdom)** high court against **British-Australian** multinational mining company **Rio Tinto**, alleging that contamination from the mining group's mineral sands operation exposed them to dangerous levels of lead and uranium;

24 Sep 2026 **Antananarivo (Madagascar)** *L'Express*. **Russia** and Madagascar strengthen educational cooperation through a new agreement between the **Russian House** in Madagascar and **Saint Petersburg State University (SPbGU)**;

22 Sep 2026 **Antananarivo (Madagascar)** *L'Express*. **International Cocoa Council** elects Madagascar's **Philippe Fontayne** as president for the 2026–2027 season, as the sector faces price volatility, climate change, traceability requirements and concerns over producer incomes;

21 Sep 2026 **Antananarivo (Madagascar)** *L'Express*. Environment ministry notes that illegal gold and precious-stone mining is increasingly encroaching on Madagascar's protected areas, with recent arrests reported in the **Torotorofotsy Ramsar** site, **Zahamena National Park**, the **Ankeniheny-Zahamena** corridor and **Makira** protected area;

21 Sep 2026 **Antananarivo (Madagascar)** *L'Express*. Mines minister **Andriamparany Carl** confirms that Madagascar has resumed legal gold exports after a 16-year suspension;

15 Sep 2026 **Antananarivo (Madagascar)** *L'Express*. **Russian** embassy confirms that Madagascar will send a delegation to the **Russia-Africa Summit** in Moscow on 28–29 October, with transitional president **Michael Randrianirina** reportedly expected to lead the delegation;

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